



Why should we work on the meta level, even if it's difficult?

Systemic Competitiveness (SysCo) is a guiding framework for private sector development in the context of development cooperation. It distinguishes four interlinked levels of intervention: the micro, the meso, the macro and the meta levels of competitiveness. The latter denotes the socio-cultural, economic and political patterns and orientations in a given society or country and is often linked to long-term societal changes and dynamics (Büttner, 2007; Esser, Hillebrand, Messner & Meyer-Stamer, 1995)⁵.

At the meta level, we locate the 'slow variables' of social development (Meyer-Stamer, 2001). Here we look at aspects such as openness to risk taking and failure of a society, or the appreciation of entrepreneurship or capacity to create joint visions and plan collectively. These idiosyncratic characteristics are embedded in economic activities and are marked by collective experience. They are distinct culture traits between nations, and also between different regions and municipalities in a country.

⁵ In Mesopartner's 2017 Annual Reflection we introduced the Systemic Competitiveness framework in more detail, but then focused on the meso level. In the 2016 Annual Reflection (pp 35–37) we addressed 'The meta level of greening territorial economies in times of climate change'.

Meta-level characteristics are inherently path dependent. This means that what happened in the past will shape what is possible in the future. We find this phenomenon in traditional industrial regions such as the Ruhrgebiet in Germany where the old physical and social structures hinder innovation and change. Also in less advanced countries we often find inefficient trajectories which are an often intangible but extremely potent obstacle to development.

Economies make a significant leap in their development if they are able to ensure trust between people who do not know each other. This requires both the establishment of social institutions that ensure trust and also the belief by society that people are generally trustworthy. As a consequence, the costs of market transactions reduce, transactions with more people are possible and trade grows. In economies with a high level of trust, division of labour and specialisation are easier, and productivity is increased. Trustful relationships are a

social capital – they are an intangible asset of a society and a contributor to prosperity. Developing countries often lack this kind of capital.

It is surprising that, despite its central role in development, the meta level is usually all but ignored by development professionals. Even strong promoters of the SysCo framework such as the German Gesellschaft für Internationale Zusammenarbeit (GIZ) and the German Development Institute (DIE-GDI) in general refer only to the macro, meso and micro levels, and usually skip the meta level. An effort to address the meta level was commissioned by the GTZ (predecessor of the GIZ), but ultimately there was no lasting impact on the inclusion of the meta level in the frameworks used (Büttner, 2007).

This limited attention to the meta level can be explained by the sensitivity of many of the issues related to the meta level, such as the mental models, values and basic assumptions in a society of how economic systems



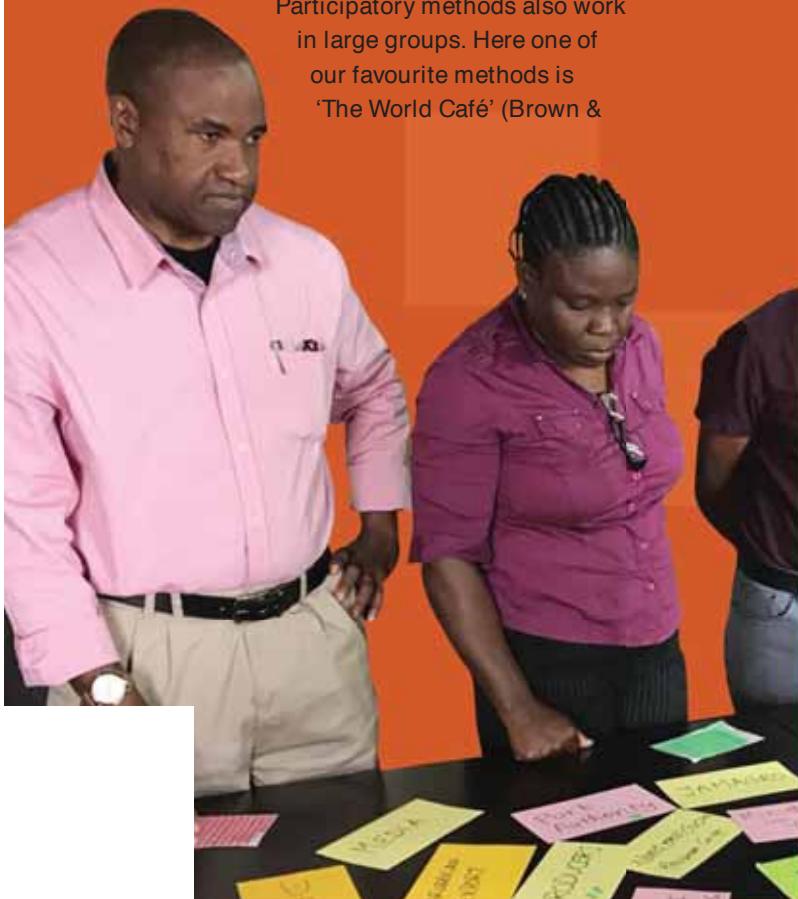
work and change. It could also be explained by possible tensions with the current paradigm of development cooperation itself:

1. Long-term versus short-term orientation: Most development programmes and projects work on a relatively short time scale, whereas the transformation of basic beliefs, values, etc. in a society is a long-term process that can take generations. Project managers have to achieve measurable goals in the short term, and lack the time required to address the meta level.
2. Direct attribution and accountability versus indirect or oblique interventions: Development agencies need to justify their spending to the tax payers. Consequently, many agencies look for immediate benefits for a well-defined target group. However, the transformation of an economy and a society is a complex issue which requires experimentation and the confluence of many different influences. Furthermore, successful transformation and how it came about is only apparent with hindsight and cannot be planned.
3. Quantitative versus qualitative measures: Today international cooperation follows the approach of 'development effectiveness' and looks for tangible and measurable results. This leads to a strong focus on easily measurable goals and indicators, and to the neglect of not easily visible factors of development which are yet critical such as social norms and beliefs.

Despite or because of the deviation from the currently dominant development paradigm, we like to encourage development professionals to include the meta level in their professional practice. But how does one intervene at the meta level? Our answer refers to the power of communication and cooperation:

Mesopartner traditionally works with a participatory approach, which is strongly influenced by the citizen participation of the 1970s in Germany. The PACA (Participatory Appraisal of Competitive Advantage) methodology, developed by Mesopartner, brought public and private stakeholders together to assess their economic situation and plan joint activities to foster local economic development. Participatory methods such as mini-workshops with pin boards and card facilitation enable the local stakeholders to plan and experiment with their own future. This approach has built local ownership and trust, which is nowadays sometimes called 'territorial capital' (Camagni & Capello, 2013).

Participatory methods also work in large groups. Here one of our favourite methods is 'The World Café' (Brown &



Isaacs, 2005), a flexible, easy-to-use process for fostering collaborative dialogue, sharing mutual knowledge and discovering new opportunities for action. Based on living system thinking, this approach creates dynamic networks of conversations that can catalyse an organisation's or a community's collective intelligence around its most important questions. These conversations can motivate diverse stakeholder groups and shape collective futures.

Participatory technologies are also applied to broader transformational change projects. For example, the 'Digitalization Platform Industry 4.0'⁶ by the German Federal Ministry for Economic Affairs and Energy promotes the digitalisation of the manufacturing sector – including the SMEs or Mittelstand – and sensitises different groups of business and society. The organisation and implementation of thematic working groups and events are facilitated by consultancy companies that

⁶ <https://www.ifok.de/en/news/974>.

specialise in facilitating such social dialogues. Relevant topics and societal effect are identified, and a joint action plan is defined together.

The experiences of Mesopartner and others confirm that dialogue and participatory methods can influence public opinion. Conversation and dialogue are necessary but are ultimately only effective if the results are articulated through concrete activities. Here the interventions at the meta level are connected with the micro, meso and macro levels, and vice versa. This is the systemic character of SysCo and should encourage the practitioner to take a holistic view of development interventions.

BROWN, J. & ISAACS, D. 2005. *The World Café – Shaping our future through conversations that matter*. San Francisco, USA.

BÜTTNER, H. 2007. Addressing the meta level. New approaches to private sector development. Sector project 'Innovative Tools for Private Sector Development'. Economic Reform and Private Sector Development Section. GTZ. Eschborn.

CAMAGNI, R. & CAPELLO, R. 2013. Regional competitiveness and territorial capital: a conceptual approach and empirical evidence from the European Union. *Regional Studies*, 47(9): 1383–1402.

ESSER, K., HILLEBRAND, W., MESSNER, D. & MEYER-STAMER, J. 1995. *Systemic competitiveness. New patterns for industrial development*. London: Frank Cass.

MEYER-STAMER, J. 2001. *Was ist Meso? Systemische Wettbewerbsfähigkeit: Analyseraster, Benchmarking-Tool und Handlungsrahmen*. Duisburg: INEF.

Dr Ulrich Harmes-Liedtke (uhl@mesopartner.com)
Marcus Jenal (mj@mesopartner.com)

